

**131.515 Delinquent taxes, penalties, interest, and other costs constitute lien in favor of Commonwealth -- Duration -- Notice.**

- (1) If any person liable to pay any tax administered by the department, other than a tax subject to KRS 134.420, neglects or refuses to pay the tax after demand, the tax due together with all penalties, interest, and other costs applicable provided by law shall be a lien in favor of the Commonwealth of Kentucky. The lien shall attach to all property and rights to property owned or subsequently acquired by the person neglecting or refusing to pay the tax.
- (2) The lien imposed by subsection (1) of this section shall remain in force for ten (10) years from the date the notice of tax lien has been filed by the commissioner, or his or her designee with the county clerk of any county or counties in which the taxpayer's business or residence is located, or any county in which the taxpayer has an interest in property.
- (3) The tax lien imposed by subsection (1) of this section shall not be valid as against any purchaser, judgment lien creditor, or holder of a security interest or mechanic's lien until notice of the tax lien has been filed by the commissioner or his or her designee with the county clerk of any county or counties in which the taxpayer's business or residence is located, or in any county in which the taxpayer has an interest in property. The recording of the tax lien shall constitute notice of both the original assessment and all subsequent assessments of liability against the same taxpayer. Upon request, the department shall disclose the specific amount of liability at a given date to any interested party legally entitled to the information.
- (4) Even though notice of a tax lien has been filed as provided by subsection (3) of this section, and notwithstanding the provisions of KRS 382.520, the tax lien imposed by subsection (1) of this section shall not be valid with respect to a security interest which came into existence after tax lien filing by reason of disbursements made within forty-five (45) days after the date of tax lien filing or the date the person making the disbursements had actual notice or knowledge of tax lien filing, whichever is earlier, provided the security interest:
  - (a) Is in property which:
    1. At the time of tax lien filing is subject to the tax lien imposed by subsection (1) of this section; and
    2. Is covered by the terms of a written agreement entered into before tax lien filing; and
  - (b) Is protected under local law against a judgment lien arising, as of the time of tax lien filing, out of an unsecured obligation.

**Effective:** January 1, 2010

**History:** Created 2009 Ky. Acts ch. 10, sec. 33, effective January 1, 2010.